5.1.

Collaborating with our people, the engine of that transformation

Related material topics: Stakeholder engagement; Innovation; Diversity, Equality and inclusion; Quality of employment; Human Rights; Safe and healthy environments; Talent management.













Our team of people, their talent and their energy are the real drivers of our transformation. Accordingly, at Inditex we foster opportunities for development and training, with the aim of contributing to the professional and personal growth of all our people.

People are Inditex's core value. We trust them fully to support the growth of our Group. It is our people who convey their enthusiasm and passion for responsible fashion to our customers, and who enable us to constantly reinvent ourselves and tackle new challenges.

Five principles guide Inditex in its aim to achieve sustainable people management: our culture and the values we share and nurture; the diversity of our teams and equal opportunities; our unwavering commitment to talent, in particular professional growth and internal promotion; creating quality, stimulating, stable and safe workplaces; and guaranteeing the safety, health and well-being of our teams.

5.1.1. Diversity, inclusion, equality and work-life balance

GRI 103-2; 103-3; 102-8; AF32; 404-2; 405-1; 405-2; 406-1; 401-3 AND AF23

5.1.1.1. About us

At the close of 2021, our Group comprised a team of **165,042 people**, **located in 60 different markets and representing a total of 177 nationalities** (144,116 people, 60 markets and 171 nationalities in 2020; 176,611 people, 60 markets and 172 nationalities in 2019; 174,386 people, 60 markets and 154 nationalities in 2018).

Our organisation is characterised by four main features:

- Generational and gender diversity
- International presence
- Horizontal organisation
- A customer-centric approach

Firstly, Inditex is a company characterised by **gender and age diversity**. Women **account for the majority**, although the proportion of women to men

has been gradually evening up over the last decade, with 76% of our workforce being women, compared to 24% men (76% and 24% in 2020, 76% and 24% in 2019, and 75% and 25% in 2018, respectively). With regard to age, Inditex's workforce is distinguished by its generational diversity. Teams within the Company are currently made up of employees of different generations, the youngest groups being the largest. The average age is 29.3 years old (30.1 years in 2020; 28.9 years in 2019; and 28.7 years in 2018).

Secondly, we are a notably international workforce, with staff employed in 60 markets. This circumstance enriches our people management, as we can focus on the local reality of each market, while applying global management policies. Spain, with 46,075 employees, accounts for 28% of the total workforce.

Thirdly, Inditex's horizontal organisation, favours open and continuous communication and collaborative work. Our approach to job classification is broad, with store employees having a special relevance in this classification.

Lastly, Inditex is a **customer-centric** organisation. Stores, where 86% of our people work, play a paramount role in our Organisation, in which online teams have also grown exponentially in the last few years. The rest of the Group's activity areas (factories, logistics and central services) serv the integrated store and online platform of our eight brands, which are made up of over 6,000 stores.





OUR PEOPLE IN 2021

PEOPLE

DISTRIBUTION BY ACTIVITY

	2021		2020		2019		2018	
	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
Store	143,592	86%	123,660	86%	154,465	87%	152,057	87%
Central services	11,283	7%	10,844	7%	11,386	6%	11,547	7%
Logistics	9,439	6%	8,862	6%	9,932	6%	9,929	5%
Factories	728	1%	750	1%	828	1%	853	1%
Total	165,042	100%	144,116	100%	176,611	100%	174,386	100%

DISTRIBUTION BY AGE

	2021		2020		2019	•	2018	
Years	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
< 30	95,752	58%	77,597	54%	107,042	61%	107,639	62%
30-40	46,115	28%	45,792	32%	49,336	28%	48,709	28%
> 40	23,175	14%	20,727	14%	20,233	11%	18,038	10%
Total	165,042	100%	144,116	100%	176,611	100%	174,386	100%

DISTRIBUTION BY GEOGRAPHY

	2021		2020		2019		2018	
	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
Americas	19,888	12%	16,788	12%	19,749	11%	20,785	12%
Asia and Rest of the world	16,460	10%	17,215	12%	23,541	13%	23,452	13%
Spain	46,075	28%	40,279	28%	48,687	28%	47,930	28%
Europe (ex-Spain)	82,619	50%	69,834	48%	84,634	48%	82,219	47%
Total	165,042	100%	144,116	100%	176,611	100%	174,386	100%

DISTRIBUTION BY GENDER

	2021		2020		2019		2018	
	Number of employees	%						
Women	124,993	76%	109,323	76%	133,465	76%	131,385	75%
Men	40,049	24%	34,793	24%	43,146	24%	43,001	25%
Total	165,042	100%	144,116	100%	176,611	100%	174,386	100%



MARKETS



- Spain 46,075 (28%)
- Europe (ex-Spain) 82,619 (50%)
 - Americas 19,888 (12%)
- Asia and rest of the world 16,460 (10%)

Nationalities

AGE

14%

28%

- >40 years (14%)
- **30-40** years (28%)
- **<30** years (58%)

DISTRIBUTION BY PROFESSIONAL CLASSIFICATION

	2021		2020		2019		
	Number of employees	%	Number of employees	%	Number of employees	%	
√anagement	11,890	7%	12,591	9%	10,473	6%	
upervisors	15,367	9%	16,480	11%	19,779	11%	
Specialists	137,785	84%	115,045	80%	146,359	83%	
otal	165,042	100%	144,116	100%	176,611	100%	

 $^{^{*}}$ The description of the functions of the three professional classification groups is:

Management: employees in management positions with responsibility for interdisciplinary working groups related to the areas of design, manufacturing, distribution, logistics, stores, technology, sustainability and other general services. Store managers are included in this category.

Supervisors:: employees who are part of interdepartmental and transversal working groups for design, logistics and stores, as well as sustainability, technology and other general services.

Specialists: employees with an impact due to their individual contribution related to one of the Group's activities in the areas of design, manufacturing, distribution, logistics, stores, sustainability, technology and other general services.

DISTRIBUTION BY MARKET

EUROPE (EX-SPAIN)

Switzerland

Turkey

Ukraine

	2021	2020	2019	2018
Albania	249	221	243	263
Germany	4,684	4,753	5,531	5,874
Austria	1,334	1,253	1,455	1,477
Belgium	2,929	2,562	2,945	2,818
Belarus	350	278	290	298
Bosnia-Herzegovina	369	314	424	360
Bulgaria	663	600	716	733
Croatia	1,041	923	1,160	1,078
Denmark	309	292	329	335
Slovakia	443	305	359	302
Slovenia	235	235	276	267
Finland	240	249	260	269
France	10,315	8,729	10,030	9,414
Greece	4,004	3,639	4,278	4,014
Hungary	1,116	818	1,126	1,067
Ireland	958	743	854	882
Italy	8,794	6,890	8,626	8,600
Kosovo	245	215	211	157
Luxembourg	325	300	318	179
North Macedonia	289	132	154	155
Monaco	39	39	39	36
Montenegro	143	99	128	123
Norway	392	363	386	383
Netherlands	2,701	2,536	3,018	2,856
Poland	4,239	4,040	4,679	4,617
Portugal	6,572	5,050	7,247	7,001
United Kingdom	6,547	4,398	5,429	5,486
Czech Republic	605	505	700	643
Romania	2,532	2,238	3,027	2,864
Russia	10,148	9,119	10,696	10,365
Serbia	894	656	736	742
Sweden	754	736	844	833

ASIA AND REST OF THE WORLD									
	2021	2020	2019	2018					
Australia	1,763	1,501	1,636	1,504					
Bangladesh	71	62	59	57					
Cambodia	4	4	6	4					
Mainland China	5,838	7,113	11,169	11,680					
Hong Kong SAR	627	558	1,020	1,252					
Macao SAR	75	105	170	181					
Taiwan, China	447	498	626	649					
South Korea	1,438	1,269	1,673	1,514					
India	1,300	1,173	1,294	1,227					
Japan	3,247	3,488	4,314	3,979					
Kazakhstan	989	746	779	723					
Morocco	38	34	26	16					
New Zealand	112	119	115	99					
Pakistan	3	2	2	2					
Singapore	4	4	4	4					
South Africa	490	524	633	548					
Vietnam	14	15	15	13					
Total	16,460	17,215	23,541	23,452					

SPAIN				
Spain	46,075	40,279	48,687	47,930
Spain-workforce, permanent contracts	37,657	36,627	36,632	35,745

AMERICA				
Argentina	795	848	872	885
Brazil	2,219	2,418	2,849	2,810
Canada	2,564	2,077	2,595	2,466
Chile	1,018	726	871	878
United States	6,897	5,080	6,310	6,267
Mexico	6,081	5,334	5,897	7,137
Uruguay	314	305	355	342
Total	19,888	16,788	19,749	20,785

1,479 1,478 1,564 1,506

5,258 3,956 5,166 4,896

1,424 1,170 1,390 1,326

5.1.1.2. Diversity and Inclusion Policy

Inditex's commitment to **diversity and multiculturalism** is one of our strengths. Our goal is to build diverse teams made up of people of different profiles, cultures, backgrounds and experiences, as part of an inclusive corporate culture that fosters equality of opportunities and zero tolerance to all kinds of discrimination. We believe that nurturing this culture of inclusion and respect makes us a more competitive, creative and innovative company. Therefore, our teams are composed of people of different gender, gender identity and expression, sexual orientation, race, ethnicity, age, education, socio-economic status, disability or religion, among others.

Inditex advocates globally for a culture of **inclusion**, **equality and respect**. We are committed to creating fair working environments in an atmosphere of understanding and acceptance so that everyone can achieve their goals and develop their talents. We also implement a zero-tolerance approach to any kind of discrimination. For the Group, an inclusive culture means:

- Guaranteeing diversity of profiles for all positions and at all levels of the Company by attracting and retaining talented professionals.
- Fostering equality of opportunities regardless of gender, gender identity, race, ethnicity, origin or different abilities, among others.
- Promoting human rights, collaboration and respectful communication between people, both internally and externally.
- Developing procedures and implementing appropriate training initiatives and programmes to achieve these goals.

Recognising that a diverse and inclusive work environment is a crucial contributor to the achievement of Inditex's corporate objectives and improved business performance, in December 2020 the Board of Directors approved the modification **of Inditex's Diversity and Inclusion Policy**, in force since 2017. This shows its firm commitment to the values contained in its Code of Conduct and to a culture based on equality, respect and acceptance of differences. In particular, the Policy mentions the Company's commitment to ensuring that there is no discrimination of any kind, particularly on grounds of gender, when appointing members of the Board or Senior Management of the Group.

This Policy, which is promoted and supported by Senior Management, is present across all our areas of action, especially in matters relating to people management: recruitment and selection, remuneration and benefits, promotion, training and professional development. Within the Human Resources Team, the Department of Equality, Diversity and Inclusion steers the training programmes and initiatives on diversity and inclusion at the Group, and ensures that the Diversity and Inclusion Policy guides all of the Company's actions. The Policy also directly impacts areas linked to our relationship with people in our business model: customer services, marketing and communication, procurement, etc.

Accordingly, the Policy applies to anyone associated with the Group, whether they are employees, customers or third parties such as contractors, suppliers, professionals involved in recruitment processes or people working in the supply chain.

Our staff are responsible for promoting **diverse** and inclusive workplaces that encourage equal opportunities, collaboration and respectful communication between people, both inside and outside the Company. All the Group's areas, departments





and subsidiaries are responsible for the proper implementation and application of these mandates on diversity and inclusion.

Inditex also has an Ethics Committee and an Ethics Line to ensure compliance with the Diversity and Inclusion Policy, which receives and addresses all the comments, doubts or complaints made in good faith regarding the interpretation, application or enforcement of the Policy.

① More information on the Ethics Committee and the Ethics Line in section 5.9.2. Compliance and criminal risk prevention of this Report.

The Diversity and Inclusion Policy is derived from the Company's Code of Conduct and Responsible Practices, the foundations of which include **respect, acceptance and equality**. Likewise, it is consistent with the Group's Compliance and Human Rights policies.

Furthermore, to resolve queries in connection with the interpretation of our Policy, two e-mail inboxes have been set up: one for queries (d&l@inditex.com) and another to report complaints concerning its interpretation, application or compliance (canaletico@inditex.com); in addition to contacting the people from Human Resources and the Diversity Champion in many of our markets.

5.1.1.3. Global initiatives to promote diversity and inclusion

At Inditex, we believe the power of creating a diverse and inclusive culture lies in **our people.** In a markedly international company, the D&I project was devised from a global perspective, and is implemented in all our markets, which are a source of diversity and multiculturalism.

In this context, in order to reinforce our own employees as the conveyors of our values of inclusion and respect, since 2018 we have appointed **Diversity Champions** among our staff in the various subsidiaries. Their mission is to act as ambassadors of diversity and inclusion in their countries and workplaces to contribute with ideas and projects that enrich our inclusive culture. At present, there are more than 40 Champions. Further cementing their collaborative efforts, the community of Champions in Europe was awarded the **Holistic Diversity Management** certificate by the ENAR Foundation, awarded for the first time to a European company.

In 2021 our subsidiaries in Greece, Portugal, Poland and Bulgaria, as well as the office of our subsidiary in Belgium, signed up to the **Diversity Charter**, a European Commission equality initiative that has been adhered to by other eight subsidiaries in Europe (France, Germany, Croatia, Romania, Slovenia, Italy, the Netherlands and Sweden).

Furthermore, in 2019 we joined the Open to All Commitment in the US, in which over 50 fashion companies worldwide take part. This is a coalition of companies endeavouring to raise awareness and increase visibility regarding the importance of protecting people from discrimination in public retail spaces.

In terms of recognitions, since 2020 Inditex has been listed in the **Refinitiv Diversity and Inclusion Index**, which includes the 100 most diverse and inclusive organisations in the world. In 2021, Inditex was also listed in the Financial Times **Diversity Leaders** ranking, which includes the 850 lead-

2021 MILESTONES

The Financial Times includes Inditex in its Diversity Leaders index. The Company is among the European leaders in promoting diversity, according to the Financial Times ranking, which evaluates the performance of more than 850 companies across 16 countries, chosen from among more than 15,000 companies throughout Europe.

Inditex also further cemented its place in 2021 among the 100 leading companies in the promotion of diversity and inclusion at the global level, as ranked by Refinitiv. This index transparently and objectively measures the data from around 11,000 worldwide companies, representing more than 80% of global market capitalisation, using 24 metrics across four key pillars: Diversity, Inclusion, People Development and News and Controversies.

ing companies in the field of diversity and inclusion in 16 countries, chosen from over 15,000 companies across Europe.

(i) More information in section 3.4. Acknowledments of this Report.

On 21 May 2021, at Inditex we celebrated the United Nations World Day for Cultural Diversity for Dialogue and Development.

We work on the following four global priorities, as well as establishing local initiatives in our various subsidiaries:

- Gender Equality
- Inclusion of people with disabilities
- LGTB+ Inclusion
- Socio-ethnic inclusion



5.1.1.3.1. Gender Equality

Gender equality and women empowerment are a part of the essence of our Group. With 76% of women at the Group, we foster more diverse and inclusive working environments in which women feel supported in their professional development.

To promote diversity and inclusion, we work to ensure that the entire workforce can develop their professional potential and to guarantee that no discriminatory practices deprive the women in our teams of the same development opportunities as men.

To achieve this, we guarantee fair access to opportunities for development at work, we implement continuous training and we strive to create safe spaces in which there is no harassment or violence against women's well-being in the workplace. We also foster wage parity.

By cultivating the talent of the women in our Company, we have been able to make major leaps in their leadership within the Organisation. The figures speak for themselves, and in 2021, 81% of the Company's management positions were filled by women (81% in 2020 and 79% in 2019). Moreover, in the last years, the representation of women on the Board of Directors has also improved notably (+14 percentage points since 2016, up to 36% in 2021).

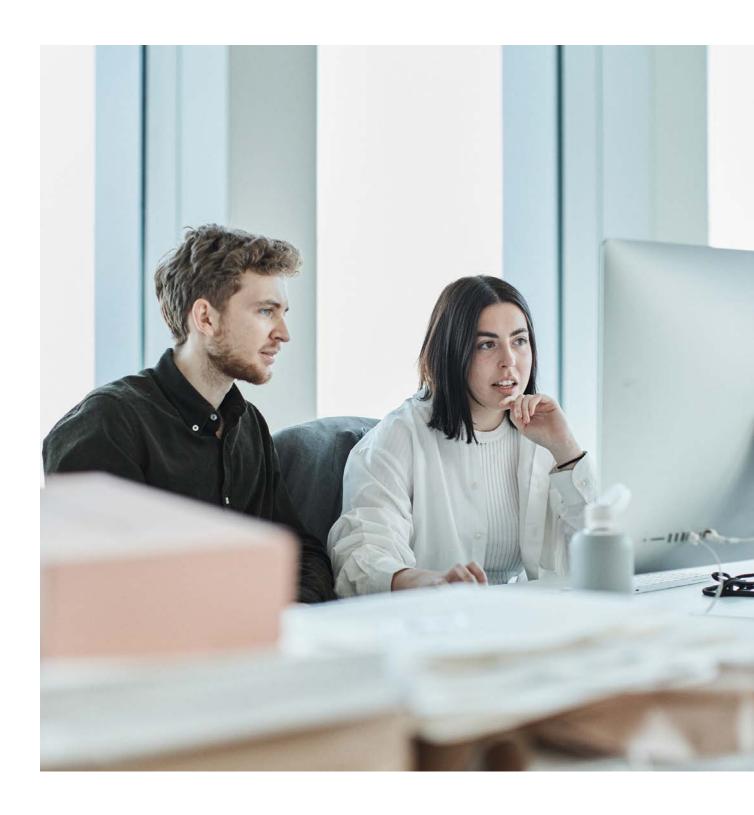
(i) More information in section 5.9.3. Good corporate governance of this Report.

In Spain, the equality plans at Inditex's different companies, as well as those which are currently being negotiated, include measures that affect different areas of labour relations, such as selection, recruitment, promotion, training, health at work, remuneration and work-life balance. This work is further underpinned by the committees that monitor these plans, which meet half-yearly to verify their compliance and effectiveness. There are also action protocols designed to combat sexual and/or gender-based harassment.

Our organisation rejects discrimination in any form. Hence, we strive to prevent sexual harassment, abuse and exploitation in the workplace by implementing an internal policy to stop sexual or gender- based harassment at work. With its Policy to Prevent Sexual and Gender-Based Harassment in the Workplace, devised and developed over the course of 2021, Inditex aims to improve the information and training in this area for the entire workforce. The main lines of this proposal will be prevention, care and support and response for victims.

This Policy takes into account the recent approval of International Labour Organization (ILO) Violence and Harassment Convention - C190, which has not yet been ratified by Spain, and ILO Violence and Harassment Recommendation - R206 (June 2019).

Through this global policy, the Inditex Group establishes the general principles that will serve as a framework for the various policies to prevent sexual and gender-based harassment that, in the event, are approved locally in the markets where the Group operates. In this regard, implementation



of the Policy will be adapted to each country's legislation where there is already a local internal policy.

We highlight our commitment to stop gender violence through various campaigns to disseminate information that we conduct every year on 25 November, the International Day for the Elimination of Violence Against Women. In this regard, we have been working since 2013 with the then Ministry for Health, Social Services and Equality to raise awareness and promote the integra-

tion of victims into the workplace. Furthermore, *Salta*, the project to promote the integration of vulnerable young people into the workplace has also generated employment opportunities for the victims of gender violence. Salta is implemented in Spain, France, Italy, Greece, Germany, UK, Poland, Portugal, Mexico, Brazil, USA, South Korea and Turkey.

① More information on Salta in section 5.7. Collaborating to generate value in the community of this Report.

With regard to other equality-related labour measures, in 2021, the remuneration area has been strengthened. A job assessment was performed by an external supplier, as well as a salary audit and a remuneration register set up to guarantee the principle of **pay transparency** and equal pay for work of equal value.

Moreover, since 2019 we have had a guide to inclusive language to help our teams communicate more equally in the workplace.

Inditex was included for the third year running in Bloomberg's Gender-Equality Index.

We have also continued to implement work plans and monitoring and assessment systems to foster gender equality and women empowerment in our workplaces. In 2021, the subsidiaries in Germany, Russia, Bulgaria and Ukraine obtained the GEEIS (Gender Equality European and International **Standard)** certification, recognising those companies that promote equality between men and women at work, and helping to define opportunities for improvement in workplaces. These subsidiaries joined Belgium and the global corporate group, which were certified in 2018, and France, Italy and Sweden, which received the certification in 2020. Over the course of 2022, other Inditex subsidiaries on both sides of the Atlantic will continue to obtain this certification.

The effort to implement initiatives that foster gender equality on a global scale is evidenced by the fact that, in January 2022, Inditex was included for the third year running in Bloomberg's Gender-Equality Index, which features the companies most committed to gender equality. Likewise, we are also among the 100 companies featured in the **Equileap** Ranking, resulting from a study of around 4,000 businesses, based on 19 gender equality criteria.

We also foster equality, diversity and inclusion among the workers in our supply chain. To do this, we have a Gender, Diversity and Inclusion Strategy, within the framework of which a number of actions are carried out aimed at the workers from our suppliers and manufacturers.

(i) More information in section 5.5.2. Workers at the Centre of this Report.

WOMEN IN TECH: SCIENCE AND **TECHNOLOGY** FROM AN **INCLUSIVE** PERSPECTIVE

Within the field of talent development, in 2020 Inditex created the Women in Tech initiative, which aims to promote inclusion in the world of technology and foster the role of women in innovation and science. In 2021 we have held a number of sessions and masterclasses to encourage talented women to pursue careers in Science, Technology, Engineering and Mathematics, and to increase the presence of women performing digital and technological duties.

In this context, a number of awareness initiatives were promoted: talks with women leaders in technology, and awareness projects in schools and universities. We have implemented educational activities to celebrate the International Day of Women and Girls in Science and have actively collaborated with organisations working to train and empower girls in the technological area. Internally, we have also set up programmes to develop leadership skills aimed at women in our technology teams.

Along with this purpose of generating an internal and external community with other groups and associations, we have set ourselves measurable goals in terms of recruitment and internal and external selection through our collaborators.

5.1.1.3.2. Inclusion of people with disabilities

One of Inditex's top priorities is to comply with the principles of universal accessibility, particularly for our staff and customers with any kind of disability. We endeavour to ensure that all the Group's workplaces meet the functional and dimensional requirements that allow an independent use by people with disabilities or impaired mobility. We also consider it a duty to make technical adaptations to workplaces that require specific modifications in terms of mobility or other types of sensory, visual or hearing differences.

In this context, for Inditex it is important to provide equal opportunities for access to our various websites and apps so that people with different disabilities can use the information shown on our platforms and to provide a more inclusive online browsing and app experience. Based on the principles of dignity, accessibility and independence, both our jobs portal-Inditex Careers, which has WCAG International Web Accessibility Certification, with AA-level conformance-and the websites and applications of our commercial brands allow access to the range of content through functionalities adapted for people with various kinds of disability. This evidences our continuous commitment to provide a service that is accessible to as wide an audience as possible and to facilitate the use of electronic devices so that anyone can browse online quickly and conveniently.

We are also strongly committed to the **employability of people with disabilities.**

At the end of 2021, in Inditex we directly employed 1,443 persons with disabilities (1,325 in 2020, 1,568 in 2019 and 1,498 in 2018). In Spain, we have also implemented alternative measures (e.g. collaboration with special employment centres, donations and sponsorships to conduct employment insertion activities for people with disabilities) equivalent to 64 workers (alternative measures equivalent to 69 workers in 2020, 180 in 2019, and 186 in 2018). The reduction in the number of alternative measures is due to the steady prioritisation of direct recruitment as a means of integration.

There are different regulatory frameworks in the various markets where our Company operates, hence, regulations are not always comparable to the ones in force in Spain, whether due to the absence of minimum recruitment quotas or out of respect for the privacy of individuals, with the right of citizens not to disclose their disability prevailing. As a result, in many cases we have no registered data available.

In the rest of the world, we also work with non-governmental organisations, specialist companies and even public entities to foster the recruitment of people with disabilities, whether or not there are local regulations in this regard, including in countries such as Belgium, the Netherlands and the UK, among others. In the UK, we have joined the Business Disability Forum, a non-profit organisation aimed at transforming the lives of disabled people, working together with business leaders, public institutions and disabled people themselves to understand what must change to improve their life opportunities and experiences in terms of work, economic growth and society in general.

We are also involved in similar initiatives in Belgium and the Netherlands, where there are no legal quotas in place, and where we have launched a number of initiatives aimed at recruiting people with disabilities in partnership with companies specialising in inclusion and with local public entities, and at training customer service teams to better cater for disabled people. Furthermore, countries with legislation in place concerning recruitment quotas, such as Germany, with its 'Future' training programme; France, with its 'Accord Handicap' business agreement; Italy, which has im-





plemented the 'ALL IN' project to help people with intellectual disabilities to access employment in Milan and Verona; and Romania, with its constant efforts to improve internal training for its staff and also to hire people with disabilities, continue to work towards recruitment goals and to improve the labour conditions of their workers with disabilities.

To promote the inclusion of people with disabilities at a global level, which is a key pillar of our diversity and inclusion strategy, between November and December 2021, we held the second yearly edition of **Impact Week**, focusing on the inclusion of people with disabilities. This year, the vast majority of our subsidiaries and central offices took part. The aim of Impact Week is to raise awareness and mobilise everyone at the Company to continue to promote projects that foster the full inclusion of people with disabilities, be they employees, customers or candidates. Through partnerships with local entities in

the different markets, training, workshops, round table discussions and other activities, this year's Impact Week focused on areas such as accessibility, or the experience of a 'customer' or 'employee' with disabilities, thereby helping to break down barriers and foster equal opportunities. In total, more than 26,000 people from 47 subsidiaries worldwide took an active part in one or more of the **Impact Week** initiatives, either through our interactive app or participating in the many local initiatives.

Furthermore, we should also highlight our **for&from** project, which consists of the creation of a network of social franchises from our different concepts, managed by non-profit organisations and staffed by people with disabilities. This initiative currently has 15 stores generating more than 200 jobs for people with various kinds of disability. All profits generated by for&from stores are reinvested in social projects run by the partner organisations.

INCLUYE PROJECT

INCLUYE Project is an initiative aimed at the socio-occupational integration of people with disabilities. It consists of the incorporation of people with intellectual disabilities into our logistics teams. This programme, launched in 2021, is conducted in conjunction with local organisations such as Prodis and COGAMI that work to foster the inclusion in the workplace of people with different talents. The programme is based on adapting the job position and functions to the abilities of the participants, providing on-site support from NGOs and tutors from Inditex and implementing inclusion activities with participants and tutors. Through the INCLUYE initiative, 20 people with intellectual disabilities have joined Zara's Logistics Platforms in Arteixo (A Coruña), Zaragoza and Meco (Madrid).

5.1.1.3.3. Inclusion of the LGTB+ community

To stop discrimination against people belonging to the LGTB+ community in the workplace, in 2018 we signed up to the UN LGTBI Standards of Conduct, based on the UN Guiding Principles on Business and Human Rights, and including contributions from hundreds of companies from a range of sectors.

Since 2016 we have been a member of **Open for Business**, a coalition of leading global companies that advocate for the rights and inclusion of the LGTB+ community. From this forum we endeavour to show that more inclusive societies are better for businesses. We also contend that enterprises that promote the inclusion of the LGTB+ community are more dynamic, productive and innovative.

In Spain, Inditex joined **REDI** (**Red Empresarial de Diversidad e Inclusión** LGTB+, Business Network for LGTB+ Diversity and Inclusion) in 2018. This network fosters an inclusive environment in organisations and seeks to eradicate stereotypes. The aim is to value employees' talents regardless of their gender identity, gender expression and sexual orientation.

Once again in 2021 various Inditex subsidiaries in Europe and North America took part in the LGTB+ Pride celebrations in June and July, through a range of actions that included courses in LGTB+ inclusion in Germany, all stores' involvement in an inclusive competition to develop the Love&Pride initiative in Italy, or collaboration with the solidarity festival Solidays in France.

This year a number of projects have been launched to help transgender and non-binary people access employment. In Spain, the SALTA project involved initiatives to include trans people in our store and logistics teams thanks to the collaboration with entities like Fundación 26 Diciembre. And in the United States we launched the **IN Pride** project aimed at creating job opportunities at our stores in conjunction with two New York organisations: The Door and The Ali Forney Center.

In addition, our US subsidiary has been named one of the 'Best Places to Work' for LGTB+ people in the **Human Rights Campaign Foundation's** Corporate Equality Index 2022, recognising those companies that implemented the best LGTB+ inclusion practices in 2021. Zara USA obtained the top score (100 out of 100 points) in the support and empowerment of our LGTB+ people and in promoting inclusive workplaces for all.

5.1.1.3.4. Socio-ethnic inclusion

Our project for the employment of vulnerable groups, **SALTA**, is the foremost of our socio-ethnic inclusion initiatives. This programme is aimed at generating employment opportunities in our stores, logistics centres and factories for people or groups in special circumstances that make their employability more complex. In Salta we work with NGOs that support us in the process of recrutiment, training and follow-up of the participants.

This programme, which was launched in 2008 in France, has evolved its format for the training and integration of people in vulnerable circumstances in our teams. This year there have been several editions with different formats. One such format is the in-person training conducted in France, Greece and Portugal where NGOs and teams from Inditex work on basic skills, fashion and customer care. And another modality, implemented in Spain, the US and Germany, was to hold an initial stage of training online and a second phase of practical training in stores. Lastly, some countries such as Mexico and Turkey held mixed editions.

SALTA is now present in 13 markets (France, Spain, Italy, Portugal, Poland, Brazil, the United States, the United Kingdom, Germany, Mexico, Greece, South Korea and Turkey). Since 2008, 1,545 people have joined our teams in stores, logistics platforms and factories. Two of the groups most strongly supported by SALTA are women victims of gender-based violence and refugees.

This social commitment initiative is an important means to strengthen the links and engagement with the people who are part of Inditex. Our workforce actively participates, acting as mentors for people joining us via SALTA, and devoting their time to train and mentor them. Since 2008, more than 3,200 colleagues have taken part in this project as trainers or tutors.

With regard to recognitions, in 2021 SALTA was awarded the Trophée GEEIS SDG at a ceremony in Paris, for its contribution to gender equality through employment opportunities, consistent with the United Nations Sustainable Development Goals. The programme also received a special mention from the jury for 'offering a global project to promote social and sustainable inclusion'.

5.1.1.3.5. Against any kind of racism and discrimination

As a global company, our values are founded on diversity, equality and respect for human rights, and

we therefore work to stop all kinds of racism and discrimination. In this sense, our Diversity and Inclusion Policy specifically mentions our zero tolerance as a company towards any type of discrimination.

Our determination in favour of the equality of all people is not a simple statement, but defines our position against racism in any of its expressions. Inditex's corporate culture is firmly based on listening to our employees and our customers. This listening allows us to determine what company, fully diverse and inclusive, we want.

At the same time, we recognise that education is a key component of any long-term change and that is why we have pledged to increase the educational programmes against racism and discrimination.

Our work of listening and reinforcing education materialized in 2021 with numerous training actions on diversity, equality and inclusion both globally and focused on different markets, which have reached more than 30,000 employees from all over the world. With them, we aspire to make our people participate in why a diverse, inclusive work environment, free from any form of discrimination, reverts positively not only to our employees but to the company in general.

(i) More information in section 5.1.2. Talent management of this Report.

On the other hand, in 2021, we made again a donation to the NAACP Legal Defense Fund, a US organisation that actively combats racism, discrimination and injustice, especially in African-American communities.

Likewise, and since 2018, Inditex is among the companies that collaborates with ENAR, a European organisation based in Brussels that is focused on fighting racism and discrimination in all their forms. Within the framework of collaboration with this entity, the Inditex Diversity Champions community in Europe was awarded the Holistic Diversity Management certificate, awarded for the first time to a European company.

5.1.1.4. Work-life balance

At Inditex we encourage measures that seek to facilitate work-life balance, advocating especially for co-responsibility. The equality plans negotiated within the Group aim to make co-responsibility a right and a duty.

Parental leave	2021	2020	2019	2018
Total figures for parental leave	2,164	2,204	2,353	2,166
Women	1,640	1,726	1,902	1,770
Men	524	478	451	396
Return to work rate	99%	100%	99%	99%
Women	99%	100%	100%	100%
Men	99%	99%	95%	99%
People who continued working at the Group 12 months after returning from leave	1,927	2,287	2,034	2,240
Women	1,459	1,842	1,640	1,881
Men	468	445	394	359
Overall retention rate	87%	97%	94%	86%
Women	85%	97%	93%	90%
Men	98%	99%	97%	87%

In this regard, in 2021 diagnostic instruments were presented to properly monitor both data and the implementation of measures under the equality plans in Spain. Based on the term of the equality plan in force, negotiations for new plans are underway in the corresponding companies. This is the case with Plataforma Cabanillas, where the negotiation of its second equality plan has now begun, and Grupo Massimo Dutti, which is due to start the negotiation of its third plan.

In 2021, as in previous years, 100% of our employees in Spain (46.075) had their right to parental leave in connection with birth or placement for adoption or foster care. 2,164 people took leave for birth, adoption or foster care placement (1,640 women and 524 men), almost all of whom returned to work: 2,148 people (1,630 women and 518 men). In addition, 17% of employees in Spain enjoy a reduction in working hours for childcare (18% in 2020, 16% in 2019 and 16% in 2018).

However, beyond shared responsibility, our equality plans contain other work-life balance measures such as the possibility of splitting up leave periods for hospital stays or care of relatives up to second degree of kinship, flexible working hours for adaptation periods at nursery or infant schools, or the extension of leave with job guarantee for personal matters, studies, international adoption or care of dependent family members.

Internationally, the Inditex Group strives to improve the rights guaranteed by the local legislation of each country through work-life balance policies, prioritising those markets in which the legislation is not especially protective. This is the case in the United States, where since 2019 Inditex has implemented a policy of paid leave for birth or adoption for all our people. The purpose of this paid leave is to enable all employees meeting minimum requirements to be able to devote time to the care of a new-born or newly-adopted or fostered child.

As already indicated in the case of Spain, Inditex also advocates implementing measures in other markets to broaden the rights enshrined in local legislation or that help improve work-life balance by means of flexible working hours, efficient organisation of teams, the expansion of leave for caring for children and/or dependants and even financial assistance to help cover the cost of childcare or other care. All of the foregoing takes into account the local reality in the context of each market, such as the United Kingdom, Italy, Germany, France or Argentina, among others, where packages of measures have been

designed whose priority goal of improving people's quality of life.

5.1.1.4.1. Work disconnection policies

With the approval of Organic Law 3/2018, of 5 December on Protection of Personal Data and Guarantee of Digital Rights, Inditex is fully committed to encouraging an internal policy that ensures the **right** to digital disconnection in the workplace. In this regard, the staff are encouraged to adopt habits such as resting between working days and during the holiday period, as well as to foster direct contact between colleagues as one of the corporate values of Inditex. Notwithstanding the commitment acquired at the corporate level, negotiations with workers' representative have also resulted in other measures on this front, included in the latest Equality Plans of the various brands (the 2nd Equality Plan of Zara, Massimo Dutti, Bershka, Stradivarius, Oysho and Pull&Bear) and in place in Spain.

France, a pioneer on this topic, has been incentivising digital disconnection to improve work-life balance for some years now, and has even opted to include the right to disconnect in the company collective bargaining agreement on quality of life at work (Article 6). Thus, other than in exceptional cases, all our people are advised to limit messages and phone calls outside normal working hours and they are reminded that they are not obliged to respond to the e-mails or phone calls they receive outside those hours. Department heads and store managers are aware of this system and the company undertakes to remind them of this right periodically.

In other markets, such as the UK, where there is no legislation entitling employees to digital disconnection, the Group's brands have rolled out an initiative whereby employees do not receive communications from the company on their days off and eliminating instant messaging applications as a work tool. Ireland plans to launch a guide in February 2022 concerning the right to disconnect so as to ensure that work is not routinely performed outside normal hours, and the duty to respect another person's right to disconnect (for example: by not routinely emailing or calling outside normal working hours).

There are other awareness campaigns, such as the one conducted at the Russian subsidiary, offering legal training to human resources managers regarding working and resting hours, and the potential consequences for employers if they do not meet the requirements.



In Nordic countries supervisors and store managers have been issued with guidelines for leaving their work equipment in stores, so that they cannot make use of their work electronic devices during their time off.

In general, both the IT and human resources teams at our subsidiaries are working to promote and implement healthy work habits, regardless of whether there is legislation in place, either through information, training and awareness, or by adopting specific measures applied to our corporate systems, such as e-mail.

5.1.2. Talent management

GRI 103-2; 102-8; 404-1; 404-2 AND AF5

Talent is our main asset when it comes to being able to convey our passion for responsible fashion to our customers. We place people at the centre, whether they are our employees or candidates, and we work on four goals from the perspective of talent management:

• Being able to attract the most talented professionals to work at our Company.

- Providing opportunities for professional development and growth through internal promotion and mobility.
- Facilitating continuous learning, both in new functions as they emerge and in transforming what we were already doing through training, awareness and communication.
- Providing a safe, enriching and motivating working environment with attractive conditions that enable us to retain talented professionals, connect with our people and boost their commitment.

5.1.2.1. Talent attraction

Communicating our value proposition as an employer across the Group's brands and work areas and communicating with our candidates is key to attract-

2021 MILESTONE

Inditex launches The Sustainable Fashion School, a space for knowledge and inspiration where our commercial teams are backed by a very solid foundation of technical knowledge and access to the latest innovations in sustainability.

We joined forces with the University of Leeds, a world's leading university for textile-related studies, to cocreate this specialist programme on the fundamentals of the textile process.